

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7443

BILL NUMBER: SB 454

DATE PREPARED: Jan 6, 1999

BILL AMENDED:

SUBJECT: Property tax levy appeal.

FISCAL ANALYST: Bob Sigalow

PHONE NUMBER: 232-9859

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill allows Scott Township of Vanderburgh County to appeal to the State Board of Tax Commissioners to increase the maximum permissible levy of the township for fire protection within the township. It also permits an additional increase in the levy if a loan is taken to pay for fire protection services in the first year of the levy increase.

Effective Date: January 1, 2000.

Explanation of State Expenditures: The state's expense for property tax replacement credits (PTRC) could be increased under this bill. The additional PTRC would be equal to 20% of the additional levy. PTRC is paid from the Property Tax Replacement Fund which is annually supplemented by the state General Fund. Any additional PTRC expenditures would ultimately come from the General Fund. The actual fiscal impact depends on the amount of levy increase required to pay the cost of fire protection and the amount granted by the State Tax Board.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill would require the State Tax Board to allow maximum levy increases for three years for Scott Township in Vanderburgh County so that the township may pay a fair and reasonable amount under a contract for fire protection. The State Tax Board may grant a different amount of increase for each of the three years. If the township takes a loan in the first year to pay the fire protection providers, then the State Tax Board may also allow an additional increase in the maximum levy, over and above the any other increase granted, to repay the loan. The township maximum levy in following years would be based on the new third year levy.

An increased levy will increase the tax rate. The actual fiscal impact depends on the amount of levy increase required to pay the cost of fire protection and the amount granted by the State Tax Board.

State Agencies Affected: State Board of Tax Commissioners.

Local Agencies Affected: Scott Township in Vanderburgh County.

Information Sources: